

108TH CONGRESS
1ST SESSION

S. 932

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for taxpayers owning certain commercial power takeoff vehicles.

IN THE SENATE OF THE UNITED STATES

APRIL 29, 2003

Mr. BREAU (for himself, Mr. ENSIGN, Mr. CRAPO, and Mr. BUNNING) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for taxpayers owning certain commercial power takeoff vehicles.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fuel Tax Equalization
5 Credit for Substantial Power Takeoff Vehicles Act”.

6 **SEC. 2. CREDIT FOR TAXPAYERS OWNING COMMERCIAL**
7 **POWER TAKEOFF VEHICLES.**

8 (a) IN GENERAL.—Subpart D of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to business-related credits) is amended by
 2 adding at the end the following new section:

3 **“SEC. 45G. COMMERCIAL POWER TAKEOFF VEHICLES**
 4 **CREDIT.**

5 “(a) GENERAL RULE.—For purposes of section 38,
 6 the amount of the commercial power takeoff vehicles credit
 7 determined under this section for the taxable year is \$250
 8 for each qualified commercial power takeoff vehicle owned
 9 by the taxpayer as of the close of the calendar year with
 10 or within which the taxable year ends.

11 “(b) DEFINITIONS.—For purposes of this section—

12 “(1) QUALIFIED COMMERCIAL POWER TAKEOFF
 13 VEHICLE.—The term ‘qualified commercial power
 14 takeoff vehicle’ means any highway vehicle described
 15 in paragraph (2) which—

16 “(A) is propelled by any fuel subject to tax
 17 under section 4041 or 4081, and

18 “(B) is used in a trade or business or for
 19 the production of income (and is licensed and
 20 insured for such use).

21 “(2) HIGHWAY VEHICLE DESCRIBED.—A high-
 22 way vehicle is described in this paragraph if such ve-
 23 hicle is—

24 “(A) designed to engage in the daily collec-
 25 tion of refuse or recyclables from homes or

1 businesses and is equipped with a mechanism
 2 under which the vehicle's propulsion engine pro-
 3 vides the power to operate a load compactor, or
 4 “(B) designed to deliver ready mixed con-
 5 crete on a daily basis and is equipped with a
 6 mechanism under which the vehicle's propulsion
 7 engine provides the power to operate a mixer
 8 drum to agitate and mix the product en route
 9 to the delivery site.

10 “(c) EXCEPTION FOR VEHICLES USED BY GOVERN-
 11 MENTS, ETC.—No credit shall be allowed under this sec-
 12 tion for any vehicle owned by any person at the close of
 13 a calendar year if such vehicle is used at any time during
 14 such year by—

15 “(1) the United States or an agency or instru-
 16 mentality thereof, a State, a political subdivision of
 17 a State, or an agency or instrumentality of one or
 18 more States or political subdivisions, or

19 “(2) an organization exempt from tax under
 20 section 501(a).

21 “(d) DENIAL OF DOUBLE BENEFIT.—The amount of
 22 any deduction under this subtitle for any tax imposed by
 23 subchapter B of chapter 31 or part III of subchapter A
 24 of chapter 32 for any taxable year shall be reduced (but

1 not below zero) by the amount of the credit determined
 2 under this subsection for such taxable year.”.

3 (b) CREDIT MADE PART OF GENERAL BUSINESS
 4 CREDIT.—Subsection (b) of section 38 of the Internal
 5 Revenue Code of 1986 (relating to general business credit)
 6 is amended by striking “plus” at the end of paragraph
 7 (14), by striking the period at the end of paragraph (15)
 8 and inserting “, plus”, and by adding at the end the fol-
 9 lowing new paragraph:

10 “(16) the commercial power takeoff vehicles
 11 credit under section 45G(a).”.

12 (c) NO CARRYBACK BEFORE JANUARY 1, 2003.—
 13 Subsection (d) of section 39 of the Internal Revenue Code
 14 of 1986 (relating to carryback and carryforward of unused
 15 credits) is amended by adding at the end the following
 16 new paragraph:

17 “(11) NO CARRYBACK OF SECTION 45G CREDIT
 18 BEFORE JANUARY 1, 2003.—No portion of the un-
 19 used business credit for any taxable year which is
 20 attributable to the credit determined under section
 21 45G may be carried back to a taxable year beginning
 22 before January 1, 2003.”.

23 (d) CLERICAL AMENDMENT.—The table of sections
 24 for subpart D of part IV of subchapter A of chapter 1

1 of the Internal Revenue Code of 1986 is amended by add-
2 ing at the end the following new item:

“Sec. 45G. Commercial power takeoff vehicles credit.”.

3 (e) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years ending after De-
5 cember 31, 2002.

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